



# Biotech Daily

Friday February 25, 2011

*Daily news on ASX-listed biotechnology companies*

- \* **ASX, BIOTECH UP: COMPUMEDICS UP 19%; CLINUVEL DOWN 6%**
- \* **BANGS MAKES 2nd DIAGNOSTIC PRODUCT WITH ANTEO'S MIX&GO**
- \* **HEARTWARE REVENUE UP 128% TO \$55m, LOSS UP 41% to \$29m**
- \* **UNIVERSAL BIO'S REVENUE DOWN 18% TO \$18m, RETURN TO RED**
- \* **PHOSPHAGENICS REVENUE UP 365% TO \$5m, LOSS UP 33% TO \$11m**
- \* **PHYLOGICA H1 REVENUE UP 1318% TO \$1.8m, LOSS DOWN 61%**
- \* **ELLEX H1 PROFIT DOWN 57% TO \$518k, ON REVENUE DOWN 12%**
- \* **CORRECTION: CORIDON**
- \* **HELICON TAKES 81% OF LEADING EDGE; FABIO PANNUTI ON BOARD**
- \* **FEDERAL GOVERNMENT \$86m FOR LATROBE MOLECULAR SCIENCES**
- \* **LIVING CELL APPOINTS ROY AUSTIN DIRECTOR**
- \* **MEDIGARD CEO PETER EMERY TO RESIGN**
- \* **REVA APPOINTS JEFFREY ANDERSON V-P CLINICAL, REGULATORY**
- \* **ANTEO LOSES DIRECTOR LARA IACUSSO**

## MARKET REPORT

The Australian stock market was up 0.57 percent on Friday February 25, 2011 with the S&P ASX 200 up 27.2 points to 4836.5 points. Fourteen of the Biotech Daily Top 40 stocks were up, 10 fell, 12 traded unchanged and four were untraded.

Compumedics was best, up 2.5 cents or 18.5 percent to 16 cents with 23,800 shares traded, followed by Antisense up 12.5 percent to 0.9 cents with 18 million shares traded, Prima up 10.6 percent to 26 cents with 38.5 million shares traded and Cellmid up 10 percent to 3.3 cents with 5.3 million shares traded. QRX climbed 5.8 percent; Tissue Therapies was up 4.7 percent; Virax was up 3.6 percent; Starpharma rose 2.9 percent; with Patrys, Psivida, Sirtex and Viralytics up more than one percent.

Clinuvel led the falls, down 13 cents or 6.1 percent to \$2 with 55,362 shares traded. Prana lost 5.6 percent; Alchemia fell 4.7 percent; Phosphagenics lost 3.85 percent; Benitec and Resmed shed more than two percent; with Cellestis and Impedimed down more than one percent.

## ANTEO DIAGNOSTICS

Anteo says Bangs Laboratories will use its licence to Anteo's Mix&Go technology for a second product in its range, Silica Bind-It.

Anteo said Silica Bind-It would be used to bind antibodies to silica beads for Elisa tests and was released to the market today after extensive customer research and testing.

The Indiana-based Bangs Laboratories launched their first Mix&Go product, Promag Bind-It, in April 2010 (BD: Mar 4, 2010).

Anteo said that before introducing further products to the market, Bangs wanted to determine customer acceptance of the novel "glue" and to ensure product stability, which had been done and a second product confirmed the growing acceptance from Bangs' customers for Mix&Go.

Anteo said it would receive royalties based on Bangs' product sales as well as revenues from the sale of Mix&Go to Bangs.

Anteo said silica particles in an Elisa test were easier to dispense and separate and could incorporate other materials such as fluorescence and magnetic substances in their core and their optical features had the potential to enhance sensitivity in the test.

Anteo quoted Bangs saying that its silica beads and Mix&Go were "the perfect pairing ... [offering] high and uniform binding through a simple incubation [and] confers exceptional stability to the protein coated silica-surface, but without the more complex reagents and protocols required by covalent coatings."

Anteo managing director Dr Geoff Cumming said the launch strengthened the partnership with Bangs.

"The fact that they have utilised Mix&Go for a second product confirms that market acceptance of the technology is starting to gain traction," Dr Cumming said.

Anteo said Bangs was assessing Mix&Go for other products in its range.

Dr Cumming said Anteo has about \$7 million in cash, sufficient for three years.

He said revenue from Bangs' and other sources would contribute to offsetting operating costs.

"We are also pleased to confirm that over 50 companies in the healthcare and other sectors are actively assessing the Mix&Go technology and we remain confident of securing more licensing commitments," Dr Cumming said.

"While progress has been slower than first anticipated, the level of interest is highly encouraging," Dr Cumming said.

Anteo was up two cents or 30.3 percent to 8.6 cents with 83.6 million shares traded.

## HEARTWARE

Heartware says its net loss after tax for the 12 months to December 31, 2010 was up 40.6 percent to \$US29,397,000 on revenue up 128.2 percent to \$US55,164,000.

Heartware said revenue came from that sale of its left ventricular assist systems, with the largest number, 236 heart pumps, sold in the three months to December 31, 2010.

Heartware's chief financial officer David McIntyre told Biotech Daily that 69 percent of the sales were in Europe, where the device was approved with Conformité Européenne (CE) mark and the balance was US clinical trial reimbursement.

Heartware said 78 of 450 patients had been enrolled in its US destination therapy study, with research and development expenses of \$US11.5 million, "primarily attributable to costs associated with the pre-market approval application for the bridge-to-transplant indication".

Heartware said diluted loss per share increased two cents or 0.9 percent to \$2.17.

Heartware fell one cent or 0.4 percent to \$2.39.

### UNIVERSAL BIOSENSORS

Universal Biosensors says revenue for the 12 months to December 31, 2010 fell 18 percent to \$18,180,036 and the company made a loss after tax of \$6,610,525.

Universal Biosensors said that although revenue from the sale of its blood glucose meter strips jumped 8,759.9 percent from \$132,733, to \$11,760,009 the cost of sales of \$10,801,062 left operational revenue at \$958,947.

The company said the cost of goods had fallen relative to revenue over the year and most of the balance of the revenue related to research and development and other services, primarily to Johnson & Johnson's Lifescan.

Universal Biosensors said its diluted loss per share was four cents compared to the previous year's diluted profit per share of one cent, with net tangible assets per share 30 cents at December 31, 2010, a 9.1 percent fall from the 33 cents at December 31, 2009. Universal Biosensors was unchanged at \$1.38.

### PHOSPHAGENICS

Phosphagenics says its net loss after tax for the 12 months to December 31, 2010 was up 32.6 percent to \$11,275,000 on revenue up 365 percent to \$5,119,000.

Phosphagenics said the consolidated operating loss for the period before the impairment of acquired intangible assets and income tax benefit was \$5.9 million, a decrease of 30.6% compared to the loss of \$8.5 million for the year to December 31, 2009.

The company said that its patent portfolio was independently valued at \$217.2 million "as a cash generating unit".

Phosphagenics said that net tangible assets per share fell 50 percent to 0.8 cents, while diluted loss per share increased 0.26 cents or 20.6 percent to 1.52 cents.

Phosphagenics fell half a cent or 3.85 percent to 12.5 cents with 2.5 million shares traded.

### PHYLOGICA

Phylogica says revenue from licencing deals with Roche, Pfizer and Medimmune has cut its net loss after tax by 61 percent to \$922,000 for the six months to December 31, 2010.

Phylogica's revenue increased 1,318 percent from \$125,000 in the previous corresponding period to \$1,773,000 for the six months to December 31, 2010.

Phylogica said it was targeting "cash sustainability" in 2012.

Phylogica said its basic loss per share fell 66.4 percent from 1.1 cents to 0.37 cents.

Phylogica was unchanged at 7.5 cents.

### ELLEX MEDICAL LASERS

Ellex says its net profit after tax for the six months to December 31, 2010 fell 57 percent to \$518,000 on revenue down 12 percent to \$22,372,000.

Ellex said that despite improved operating efficiencies it had experienced "a softening of demand in key markets, compounded by a material strengthening of the Australian dollar".

Ellex chief executive officer Simon Luscombe said the modest profit result was "disappointing and we are taking steps to improve profitability".

Ellex said the net tangible asset backing per share was up one cent or 4.5 percent to 23 cents and diluted earnings per share fell 56 percent to 0.62 cents for the six months to December 31, 2010.

Ellex fell 2.5 cents or 11.4 percent to 19.5 cents.

### CORIDON

In last night's article on Coridon's appointment of Neil Finlayson as chief executive officer Biotech Daily incorrectly referred to Biomd acquiring Coridon.

Biomd is in the process of acquiring Allied Medical which has a major holding in Coridon. The embarrassing mistake was made by the sub-editor, despite a correct article on Biomd, Avexa and Allied Medical immediately following the Coridon report.

Biotech Daily would like to thank the large number of readers who brought the error to our attention.

The sub-editor will revise his training at the Tripoli Gazette in Libya from Monday.

### HELICON GROUP

Helicon says it settled the acquisition of 81 percent of the issued capital of Leading Edge Instruments on February 24, 2011.

Helicon said 248,000,000 new shares in Helicon were issued to vendor shareholders.

The company said Fabio Pannuti was appointed a director with effect from today.

Helicon was unchanged at five cents.

### FEDERAL GOVERNMENT

Innovation Minister Senator Kim Carr said the Federal Government would provide \$85.8 million to build the La Trobe Institute of Molecular Sciences.

Senator Carr said the \$98 million Institute would be a "world-class interdisciplinary research facility [and] will see La Trobe University build on its global reputation for excellence in biological sciences. La Trobe University will fund the balance.

"Molecular sciences, including biotechnology, offer new hope for the sick and new opportunities for Australian business," Senator Carr said.

"The new Institute will allow the talented researchers of La Trobe University to work directly with industry and researchers in other institutions to realize that potential," Senator Carr said.

The Institute will also open its doors to the wider community, helping Australians understand the contribution of molecular science to our health and prosperity," Senator Carr said.

"La Trobe has a proud reputation for nurturing talented secondary students who want to make a difference through science and research," Senator Carr said.

"La Trobe will also use the new facilities to encourage public awareness of science and receive in exchange direct input from the people who are the ultimate beneficiaries of their work," Senator Carr said.

### LIVING CELL TECHNOLOGIES

Living Cell says it has appointed investment banker Roy Austin as a director.

Living Cell said Mr Austin was a partner at New Zealand's Northington Partners and had 25 years' investment transaction experience across multiple sectors including healthcare and biotechnology, including capital raisings, mergers and acquisitions, intellectual property commercialization, venture capital and international business development.

The company said Mr Austin was the chairman of New Zealand-based Cure Kids, a child health research charity and its commercial biotech venture capital fund, Cure Kids Ventures.

Living Cell was unchanged at 11 cents.

### MEDIGARD

Medigard chief executive officer and company secretary Peter Emery says he will resign from the company effective in three months or by agreement at an earlier time.

Mr Emery told Biotech Daily that after eight years with the company he was leaving for personal reasons.

Medigard was untraded at 4.5 cents.

### REVA MEDICAL

Reva says Jeffrey Anderson has been appointed vice-president of clinical and regulatory affairs.

Reva said Mr Anderson had “nearly 20 years of experience in the medical device industry and previously served in the same capacity for the company from 2004 to 2008”.

The company said Mr Anderson was Neomend’s vice president of regulatory, clinical affairs, research and development, where he led the US Food and Drug Administration pre-market application process for the company’s surgical-sealant products.

Reva said Mr Anderson previously worked at Abbott Vascular, Jomed, CRS Clinical Research and Medtronic.

Reva was unchanged at \$1.35.

### ANTEO DIAGNOSTICS

Anteo Diagnostics says non-executive director Lara Iacusso has resigned, effective today.

Anteo said Ms Iacusso’s other work commitments were increasing and she believed it would be difficult to commit sufficient time to her role as a director.